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Linda McCulloch
Superintendent

July 7, 2003

TO: School Superintendents
County Superintendents

FROM: Elizabeth Keller, Director of Education Licensure
David Senn, Administrator, Teachers Retirement System

SUBJECT: HB 178 – Provisions under which certain TRS RETIRED MEMBERS may
return to work without loss of benefits

The 2003 legislature adopted HB 178 (Rep. Nancy Rice Fritz – Missoula), which allows a retired teacher, specialist or administrator, who has been retired for at least 12 months to be reemployed full-time for a school year, without loss of his or her Teacher's Retirement System (TRS) benefits. "Schools" under this proposal are limited to K-12 school districts, the Pine Hills youth correctional facility, the Riverside Youth Correctional Facility, and the Montana School for the Deaf and Blind. The University System is excluded.

This letter explains the provisions of HB 178 and the mechanism by which a school district can establish eligibility to hire a retired educator under these provisions.

HB 178 - Provisions/Restrictions

The following is a list of provisions in HB178.

- A school district must provide evidence to the Office of Public Instruction **each year** verifying that it did not receive any applicants for the vacant position or that the applicant offered the position declined the offer.
- Retiree must have been retired and receiving retirement benefits for at least 12 months prior to being reemployed by the school.
- Retiree must hold a valid Montana educator license.
- Employers will continue to pay the normal employer contribution rate to TRS (7.47%) on the salary paid to the TRS working retiree
- Rehired retired members will continue to receive 100% of their retirement benefit in addition to their salary as a teacher, specialist or administrator. The retiree will not contribute to TRS.

- A rehired TRS retiree may not be reemployed in subsequent years unless the district can again verify that it did not receive any applicants for the vacant position or that the applicant offered the position declined the offer.
- HB 178 terminates July 1, 2006.

How does a school district establish eligibility under HB 178?

The Office of Public Instruction has posted a form on its website to be completed by the retired educator and the school district that plans to hire the retired educator. The school district must complete the form to verify that it did not receive any qualified applicants for the vacant position or that the applicant offered the position declined the offer. The form can be found at <http://www.opi.state.mt.us/pdf/cert/ReemplRetEduc.pdf>.

For more information about completing the form, contact Elizabeth Keller at the Office of Public Instruction, 406-444-2580.

How does the district report information to TRS for the working retiree?

Employers are required to include any retired member hired under the provisions of HB 178 on the "Working Retiree" page of their regular monthly report to TRS under the status of "Z". Employers must also remit to TRS a copy of the signed contract as soon as the contract has been completed.

For more information about TRS requirements, contact David Senn at the Teachers Retirement System, 406-444-3134.

Note: HB 178 requires a school district to report each month to TRS and the Office of Public Instruction the name, social security number, and gross earnings for working retirees. TRS has agreed to collect the information from districts on the regular monthly report that districts file with TRS. TRS will then forward that information to the Office of Public Instruction. The district does not need to send the report to OPI.



Linda McCulloch, Superintendent
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ATTN: Educator Licensure

APPLICATION FOR REEMPLOYMENT OF CERTAIN RETIRED EDUCATORS

Pursuant to Montana Code Annotated §19-20-806, the following Montana school district seeks authorization to reemploy the following retired educator.

Retired Educator's Last Name	First Name	Middle Initial	
Mailing Address: (Street, RFD, PO Box)	City	State	ZIP
Telephone Number	Social Security Number		

Have you been receiving a retirement allowance from the Montana Teachers Retirement System for at least the last 12 months?	Yes	No
Do you hold a valid Montana Educator License?		

Educator Signature	Date
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District Name			
Mailing Address: (Street, RFD, PO Box)	City	State	ZIP
Telephone Number	Contact Name	Title	

Position to be filled

Declaration: On behalf of the applicant school district, I hereby declare under penalty of perjury and pursuant to Montana Code Annotated §19-20-806 that the district above named has been unable to fill the position because the district has received no applications for the open position or has not received an acceptance to an offer to fill the position from a nonretired educator.

Signature of District Agent	Title
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Subscribed and sworn before me this _____ day of _____.

Signature of Notary Public _____

My Commission Expires _____